

BILL ANALYSIS

C.S.H.B. 639
By: Springer
Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Concerns have been raised that the law providing for the appraisal of land as qualified open-space land if it is used as an ecological laboratory by a public or private college or university does not adequately specify conditions of eligibility and has become a de facto loophole within the Property Tax Code. C.S.H.B. 639 seeks to close this loophole by revising the eligibility of land used as an ecological laboratory to qualify for appraisal as qualified open-space land.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 639 amends the Tax Code to condition the eligibility of land used as an ecological laboratory by a public or private college or university for appraisal for property tax purposes as qualified open-space land on that land having been used principally in that manner by a college or university for five of the preceding seven years. For land that first qualified for such appraisal on the basis of its use as an ecological laboratory in the 2014-2020 tax years, this change applies beginning with the 2027 tax year and, for the 2021-2026 tax years, the qualification of the land for appraisal on that basis is governed by the law as it existed immediately before the bill's effective date.

EFFECTIVE DATE

January 1, 2021.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 639 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute includes a provision that delays the applicability of the bill for property that first qualified for appraisal as qualified open-space land on the basis of use as an ecological laboratory in the 2014-2020 tax years.

The substitute changes the bill's effective date from January 1, 2020, to January 1, 2021.